

## **Defined Contribution Risk Adjuster Board Minutes**

**State Office Building Room 3112**

***Approved***

**April 23, 2013**

Attendees: Jim Pinkerton, Regence; Dave Jackson, FirstWest Benefit Solutions; John Borer, PEHP; Tomasz Serbinowski, UID; Nancy Askerlund, UID; Jim Murray, SelectHealth; Perri Babalis, Utah Attorney General; Patty Conner (Proxy for Norm Thurston), OCHS; Todd Kiser, UID; Sue Watson, OCHS; Jill Goodmansen, OCHS; Paul Anderton, UID; Gabriela Benitez, GBS Benefits; Russ Johnston, FirstWest Benefit Solutions

Kim Miller, UHC (via telephone); Lorraine Mayne, Milliman (via telephone); Mark Andrews, Legislative Policy Analyst (via telephone)

- I. Meeting called to order at 1:02 p.m.
- II. March 26th meeting minutes approved with corrections noted.
- III. Patty Conner from OCHS gave an update regarding the Exchange – Dashboard information handed out can also be found at [www.Avenueh.com](http://www.Avenueh.com)
  - a. Dashboards for April
    - i. 344 Employer Groups
    - ii. 2862 employees enrolled
    - iii. 89% of groups renew but only 6 of 25 groups renew this past month. There were 3 new groups for this May 2013.
    - iv. Last year at this time Avenue H had 15 new groups added and only 1 did not renew. Lost 26 total groups that have come up with renewal. Change in rates in the market and rates are sometimes higher in Avenue H. Some brokers will provide examples of the rates to the Insurance Department.
  - b. All carriers filing benefits and rates in SERFF so carriers will not have to re-enter that data. Doing stand-alone dental on Avenue H and did opt not to do vision plans. Had approval through HB160 but decided not to due to federal regulations stating vision does not qualify. Feds state the only way to do the vision is through a link and did not add value in the process.
  - c. Application process – Current applications are going away. Need to have some sort of application minus health information. Took federal application and existing application and did side by side comparison. Went through data elements and found gaps and submitted to Insurance Department for review. Groups size questions with Jim Murray for next year. Need to get the “I agree” statements worked out and hopefully done by July time frame.
  - d. Navigators – Issued proposed rule and currently out for comment. Set lines between brokers and navigators. Issued grant applications for the navigators.

Need to submit a letter of intent by May 1st. Grants will be awarded on Aug 15 by HHS. 30 hours of training along with an assessment test. They are only allocating \$600,000 for Utah for the individual market. Law states navigators need to be used and cannot sell insured product or get paid by the carriers.

Need outreach with education. Those that go through Insurance Department will reach out for navigators to work with Avenue H get groups educated and would give out grant money to do this. Does not know how much this amount would be. This does not include the \$600,000. HHS stated Avenue h sets the amounts and has approved our approach regarding the navigator portion.

- e. Only 3 remaining items to negotiate with feds, all related to the SHOP. Have not heard anything back. Gave verbal approval over the phone and would do a letter and press release in the state. Governor given approval as if we were approved from the feds.
- f. Renewal processes 2014 groups
  - i. Majority of carriers are offering groups to renew by December to lock the group in for 1 year for 2014. Patty stated Avenue H should have that same option. How do we go about getting quotes for renewal along with December 2014 quotes? Groups will go off renewal cycle as that is what the traditional market is currently doing. For example groups that renew June are getting a June renewal price along with a December 2013 quote. Small employer will need to change their plan year. This will prevent them to comply until December 2014 or the community rating until this time. Concern over premium for the future as well as deductible process. Kiser asked brokers if the Insurance Department were to reach out to the broker community for training would be beneficial. Jim Pinkerton would like to discuss question with his group. Option would be a short contract for this year and a 12 month contract for next year. This rule would apply to other groups retroactively instead of just going forward. If option is available on Avenue H, all carriers need to participate in this option. Kim suggested as an action item for the UW work group to discuss and come back with a recommendation.

IV. John Borer with PEHP

- a. Risk Adjustment & Premium Allocation subcommittee report
  - i. Did not meet in the past month, no updates.

V. Kim Miller with United HealthCare

- a. Underwriting Subcommittee Report
  - i. Number of open issues under discussion. No recommendations to the board yet.

- VI. Jim Murray with SelectHealth
  - a. Legal Subcommittee
    - i. Looking into group size requirements come 2014. Some items will potentially go away.
- VII. Nancy Askerlund with Insurance Department
  - a. Will not change group size rules until 2016. Sole proprietors cannot be eligible by themselves but enrollments of 1 will be eligible. For example if sole proprietor has a spouse and both are getting paid, they would be eligible if only one enrolling. Need to update the plan of operations to be compliant with the ACA. This is effective January 2014. Patty stated we are required under small group need to allow those groups not domiciled in the state of Utah to join. Come 2014 the employer does not need to have an address in the state of Utah. A group could be domiciled in Colorado with 5 employees in Utah, we need the option for those Utah employees to enroll in Avenue H.
- VIII. Jim Pinkerton
  - a. Wanted to know if any director terms will expire this year.
  - b. Not sure what this board will look like come 2014. Carry the group renewing in 2014.
- IX. Paul Anderton
  - a. Utah considering doing Risk adjustment for 2015. Looking at proposal for 2015. Go with the federal HCC solution to streamline carriers but still keep the APCD. Can track consumers between carriers and plan years. Will set up a call for Friday with Jean Yang using the APCD for risk adjustment currently with Massachusetts.
- X. Next Meeting will be May 28, 2013 at 1:00 pm
- XI. Meeting adjourned at 2:21 p.m.